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FISCAL IMPACT STATEMENT

LS 6214

BILL NUMBER: SB 209

NOTE PREPARED: Feb 15, 2013

BILL AMENDED: Feb 14, 2013

SUBJECT: Indiana University-Purdue University Fort Wayne.

FIRST AUTHOR: Sen. Kruse

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill does the following.

Length of Awards -The bill provides that the limit on eligibility is four academic years for:

1. Higher Education Awards;
2. Freedom of Choice Grants;
3. Tuition Grants from the Twenty-First Century Scholars Program;
4. Part-time Student Grant Program;
5. Insurance Education Scholarship Fund;
6. Minority Teacher Scholarships; Special Education, Occupational Therapy, and Physical Therapy Scholarships;
7. Nursing Scholarship Fund;
8. National Guard Tuition Supplement Program;
9. Tuition Exemption for Senior Citizens; and
10. Tuition and fee exemption for children and surviving spouse of public safety officer killed in the line of duty.

(Current law provides that the limit for eligibility is 8 semesters or 12 quarters.)

Degree Map - The bill adds a definition of "degree map". It provides that, not later than August 1, 2013, the Commission for Higher Education (Commission) shall develop guidelines or rules to provide a state educational institution guidance for establishing degree maps for each full-time student attending the state educational institution. The bill also requires, for a full-time student who enrolls after July 31, 2014, that a state educational institution must develop a degree map based on the student's specific educational objective or

course of study. It requires a student who receives a Frank O'Bannon grant or a Twenty-first Century Scholars award to complete academic requirements specified in the student's degree map for the academic year in order to renew the grant or award. The bill requires a state educational institution to ensure that courses necessary for the student to comply with the student's degree map are available for the student during the academic term in which the student is required to complete the particular course in accordance with the student's degree map.

The bill provides that a state educational institution must provide a course to the student at no cost during the next academic term in which the course is offered, if:

1. The state educational institution does not offer a course which the student must take to comply with the student's degree map during the current academic term;
2. The timing of the course conflicts with other courses the student is required to take to comply with the student's degree map for the current academic term; or
3. The course is full.

The bill establishes a Performance Grant for a student who attends a state educational institution if the student earns either a baccalaureate or an associate degree on or before the date the student is expected to earn the degree pursuant to the student's degree map. It provides that the Performance Grant shall be paid for by the Commission from any funds available to the Commission.

The bill makes conforming amendments. It also makes a technical amendment.

Effective Date: (Amended) Upon passage; September 1, 2013.

Explanation of State Expenditures: (Revised) *Length of Awards* - The change from 8 semesters or 12 quarters to 4 academic years would help accommodate schools that have other length of school academic years. The 4 academic years would not have to be consecutive, so there is probably no fiscal impact.

(Revised) *Degree Map* - A degree map is to consist of:

1. An academic term-by-term sequence of course options that will allow the full-time student to complete a baccalaureate degree within four academic years or an associate degree within two academic years.
2. The expected date that they will earn their degree.
3. The academic requirements that a student must complete each academic year to timely earn their degree.

The Commission is required to develop the guidelines and rules for establishing the degree maps. The Commission should be able to develop the guidelines with their existing resources.

State education institutions may have some increased cost associated with developing a degree map for each student enrolled at their institution. The impact would depend on how much additional staff and additional computer software might be needed to do the mapping. The degree map program would apply to students who initially enroll in a state educational institution after July 31, 2014.

Students that graduate on time with a baccalaureate degree could earn a \$1,000 award and \$1,500 if they graduate early. The award for an associate degree is \$750 if the student graduates on time and \$1,250 if the student graduates early. The impact would be small for the next couple of years. The Commission estimates the impact to be about \$69,000 the first year and about \$578,000 for year two. The full impact of the program does not occur for four years. The Commission estimates the impact to be about \$9.2 M annually in year four.

Both resident and nonresident students are eligible for the on-time and early graduation award.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Commission for Higher Education.

Local Agencies Affected:

Information Sources: Division of Financial Aid, Commission for Higher Education.

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